

## State Representative CINDY NOE



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### FACING INDIANA'S PROPERTY TAX CRISIS

Many of you have shared your frustration with the property tax crisis currently facing Indiana. Voters have been clearly heard – this year, government has resolved to do something about property taxes, cut spending and truly represent the needs of voters.

The property tax reforms are included in House Enrolled Act 1001, which was signed by Gov. Mitch Daniels. The bill passed out of both the Indiana Senate and the House of Representatives with the projected goal to create a 26% decrease on average this year and a 36% decrease by 2010 over your 2007 property tax bills. It introduces referenda that will allow taxpayers to have a voice in future tax increases and some local building projects. It also provides additional protections for senior citizens, low-income households and disabled people.

Constitutional caps on property tax increases were included in Senate Joint Resolution 1 and may go on the ballot in a referendum as early as 2010. SJR 1 provides that homeowners will never pay more than 1 percent of the assessed value of their property. Similarly, there will be a 2 percent cap on rental and agricultural properties and a 3 percent cap on other properties.

It is my hope that we will be able to acheive these lofty goals with House Enrolled Act 1001, but the jury is still out. Time will tell. It may end being just a valiant try to fix an incredibly broken property tax system.

In the meantime, read on to learn about the individual successes and disappointments of this property tax legislation.

#### INSIDE THIS ISSUE:

- Details of the property tax plan
- Property tax disappointments
- The worst and most unnescessary bills of 2008
- In our community...

#### 2008 SESSION

#### WRAP UP

#### PROPERTY TAX SUCCESSES

- 1-, 2- and 3-percent caps to be phased in completely by 2010. The process to make these caps permanent began with the passage of Senate Joint Resolution 1, a resolution to write these caps into the Indiana constitution.
- \$620 million in immediate relief for 2008, \$140 million for 2009 and \$80 million for 2010.
- State assumption of school general fund, child welfare and other levies. At the municipal level, it removes the remaining pre-1977 police and fire pension from property tax.

### PROPERTY TAX DISAPPOINTMENTS

- House Enrolled Act 1001 does not completely address our broken assessment system and problems at the Department of Local Government Finance. We need to ensure consistency, accuracy and efficiency in assessments; otherwise, no amount of reform can save us from problems in the future. Assessment is at the heart of Indiana's property tax problems, and trying to solve our property tax problems without addressing assessment is like building a second story on
- Strong limitations to state spending were not included. State assumption of many levies is a huge undertaking. Some are levies that are very prone to growth. Spending limits would help us effectively manage these new levies.

a vacant lot.

- Those areas hardest hit by huge property tax increases needed significant, immediate relief targeted specifically to them. It would not have cost any additional monies to do this, but Speaker Bauer and Ways and Means Committee Chairman Crawford pulled this language from the final version of HB 1001. This is a tremendous disappointment, especially for Marion County homeowners.
- Senate Joint Resolution 1, while necessary to ensure permanent caps, also includes a weird debt exclusion for Lake and St. Joseph Counties, perhaps not a constitutionally-sound move.

In the end, maybe the only way to truly end the property tax crises that have continually arisen in Indiana throughout the years is to permanently end the taxation of Hoosiers' homes. I support a phase in of the complete repeal of homestead property taxes. Indiana has set the bar in a variety of ways across the nation. Our goal should be to set the bar on taxing structure as well.

#### **IMMIGRATION LEGISLATION**

Immigration is another issue that came to the forefront this past session - not just immigration in general, but illegal immigration. The issue was embodied in Senate Bill 335, authored by Sen. Mike Delph (R-Carmel) and proceeded out of the Senate by a vote of 37-11. In the House, the language was amended into Senate Bill 345, which passed out with a House vote of 66-33. The bill advanced to conference committee, where it then died.

The illegal immigration language was modeled after a bill that passed into law in Arizona last year. In speaking with a legislative leader in Arizona, implementation of the law is proceeding well and effectively. Arizona has begun to use E-Verify with all new state employees hired after Jan. 1, 2008, as have thousands of other private employers. E-Verify is timely and accurate, with 99.7 percent of all discrepancies being resolved within four days of the employee contacting United States Customs

and Immigration Services. The law has been continuously upheld in court, most recently as the ACLU has tried and failed to get a temporary injunction in the 9th Circuit Court. I will continue to monitor the progress of any legislation as we decide on which approach to take in the

I continue to be frustrated with the federal government and their unwillingness to address what, constitutionally, is one of the few issues they are responsible for. They have fumbled on this issue for decades. President Reagan attempted to address the issue, with mixed results. The states have been patient and are now saying, "enough is enough." We must understand that the states not only have the inherent authority to enforce federal law, but our citizens have a constitutional right to expect our laws to be enforced. We must continue to pursue a balanced approach that, hopefully, will also send a message to Washington.

"The American people will never knowingly adopt Socialism. But under the name of 'liberalism' they will adopt every fragment of the Socialist program, until one day America will be a Socialist nation, without knowing how it happened."

-Norman Thomas-

#### WORST BILLS OF 2008

- Senate Enrolled Act 143, in my opinion, is the worst bill that passed this year. In its original form, the bill required blood tests on *all* children at least 9 months of age entering any type of child care program to detect a minute number of children with lead poisoning. How intrusive! In its final form, this provision is removed; however, it is still a dreadful, wasteful bill. Laws already exist to prevent lead poisoning. SEA 143 also creates an extensive Advisory Council and includes onerous provisions that will burden contractors and those who own rental properties. A summer study committee will examine the benefit and necessity of the provisions called for in this bill.
- · House Bill 1107 was another awful bill that came close to passing this session. The bill required the Department of Education to develop standards for cultural competency to address the needs of students from certain cultural, racial and social minority groups, as well as those who are exceptional learners. In my view, this goes against the constitutional principles which state that the government shall not discriminate based on race or ethnicity. Also, this would have been another state mandate imposed upon schools and teachers that are already successfully addressing these issues in the classroom, based on current Indiana Code. This bill would have applied to non-public schools, as well, and could have resulted in the creation of non-traditional family standards. Fortunately, this bill died in conference committee.

## 2008 SESSION WRAP UP

#### UNNECESSARY BILLS OF 2008

- House Bill 1292 called for all state and federal flags flown above public buildings to be manufactured in the United States. This is the kind of feel-good fluff that does nothing but clog up Indiana's Code, and we already have too much of that! Fortunately, this bill did not pass this legislative session.
- House Enrolled Act 1042 requires businesses that intend to sell sexually explicit materials to register and file with the Secretary of State. While this bill may have good intentions, it is unnecessary, as zoning laws already exist to regulate these types of businesses. All we have done is add confusion to these existing laws, creating questions as to the definition of sexually-explicit materials, as well as imposing a burdensome \$250 filing fee for business owners. This bill becomes law July 1.
- House Bill 1047 brought the Daylight Savings Time issue back to the table by calling for referenda in Indiana counties located on the boundary between Central and Eastern Time Zones. This bill absolutely was politically motivated. We addressed Daylight Savings Time in 2006; It's over. Let it go. The Democrat-led House passed the bill, but fortunately, the Senate made sure it didn't get any further in the process.



I discovered a great children's book about Indiana and what it means to be a Hoosier. It's called **Hoosier Heart**,

by Luke Messer, my former colleague in the House of Representatives. Recently, I read the book to my granddaughter's class at Eagle Elementary school. I also have sent a copy to every elementary school in District 87. To learn more about the book, visit: www.evapublishing.com

